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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/682,876	10/26/2001	Mark Duchow	670715-90029	1765
7590 02/02/2004			EXAMINER	
MICHAEL K.	. — :	MYHRE, JAMES W		
HOWREY SIM 312 N. CLARK	ION ARNOLD WHITE, I L. SUITR 800	ART UNIT	PAPER NUMBER	
CHICAGO,, II	•	3622		
			DATE MAILED: 02/02/2004	

Please find below and/or attached an Office communication concerning this application or proceeding.

1		Applic	ation No.	Applicant(s)		
. ,			2,876	DUCHOW, MAR	DUCHOW, MARK	
0	ffice Action Summary	Exami	ner	Art Unit		
			W Myhre	3622		
<i>Th</i> Period for Re _l	MAILING DATE of this commu	inication app ars on	th coversh et v	vith th correspondenc a	ddress	
THE MAILI - Extensions of after SIX (6) - If the period - If NO period - Failure to rep - Any reply rec	ENED STATUTORY PERIOD NG DATE OF THIS COMMU! of time may be available under the provision MONTHS from the mailing date of this confor reply specified above is less than thirty for reply is specified above, the maximum oly within the set or extended period for revieved by the Office later than three months at term adjustment. See 37 CFR 1.704(b).	NICATION. ns of 37 CFR 1.136(a). In nonmunication. (30) days, a reply within the statutory period will apply an only will, by statute, cause the	statutory minimum of the dwill expire SIX (6) MC application to become A	reply be timely filed irty (30) days will be considered tim NTHS from the mailing date of this NBANDONED (35 U.S.C. § 133).		
1)⊠ Resp	onsive to communication(s) fi	led on <u>11 Decembe</u>	<u>r 2003</u> .			
2a)⊠ This	2a)⊠ This action is FINAL . 2b)□ This action is non-final.					
	e this application is in conditio ed in accordance with the prac				ne merits is	
Disposition of	Claims					
4a) C 5)	n(s) <u>2-12,14-21,25,26,29,38 a</u> If the above claim(s) is/ n(s) is/are allowed. n(s) <u>2-12,14-21,25,26,29,38 a</u> n(s) is/are objected to. n(s) are subject to restr	'are withdrawn from <u>nd 47-52</u> is/are reje	consideration.			
Application Pa	apers					
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Priority under	35 U.S.C. §§ 119 and 120	-				
a) All 1	iowledgment is made of a claim b) Some * c) None of: Certified copies of the priorit Copies of the certified copies application from the Internative attached detailed Office act wledgment is made of a claim a specific reference was included 1.78. The translation of the foreign law ledgment is made of a claim wledgment is made of a claim where was included in the first second	y documents have by documents have be sof the priority docuional Bureau (PCT find for a list of the confordomestic priority ded in the first senter anguage provisional for domestic priority	peen received. peen received in a suments have bee Rule 17.2(a)). pertified copies now younder 35 U.S.Conce of the specification has by under 35 U.S.Conce 35 U.S.Conce 35 U.S.Conce 35 U.S.Conce 35 U.S.Conce 25 U.S	Application No n received in this National t received. S § 119(e) (to a provisional cation or in an Application been received. S §§ 120 and/or 121 since	al application) n Data Sheet. e a specific	
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2) 🔲 Notice of Dr	eferences Cited (PTO-892) aftsperson's Patent Drawing Review (Disclosure Statement(s) (PTO-1449)			Summary (PTO-413) Paper No Informal Patent Application (PT		

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DETAILED ACTION

Response to Amendment

1. The Amendment filed on December 11, 2003 under 37 CFR 1.111 has been considered but is insufficient to overcome the Scroggie et al (6,185,541), Stewart et al (6,259,405), and Cupps et al (5,991,739) references. The amendment canceled Claims 24, 27-28, 32-46, and 53-66 (page 1). Claims 1, 13, 22, and 23 were previously canceled by the preliminary amendment filed on July 23, 2002 (paper number 3). Therefore, the currently pending claims should be Claims 2-12, 14-21, 25, 26, 29-31, and 47-52. However, the reproduction of the claims in the amendment shows Claims 30 and 31 as also being canceled, while Claim 38 is shown as being amended, not canceled. The Examiner will consider the listing of the claims as taking precedence over the cancellation statement on page 1 and the list of pending claims on page 15. Therefore, the claims currently being considered in the office action below are Claims 2-12, 14-21, 25, 26, 29, 38, and 47-52.

Claim Objections

2. Claim 48 is objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form. The Applicant has

amended the parent claim, Claim 47, to include this claim's limitation that the electronic voucher is redeemable only at the selected reseller.

3. Claims 48 and 49 recite the limitation "purchasing incentive" in lines 1 and 2. There is insufficient antecedent basis for this limitation in the claim. In the amendment filed on December 11, 2003, the Applicant has changed "purchasing incentive" to "electronic voucher" in the parent claim, Claim 47. Similar changes need to be made in each of the two dependent claims above.

Claim Rejections - 35 USC § 103

- 4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:
 - (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.
- 5. Claims 2, 3, 5/2, 5/3, 6/2, 6/3, 7/2, 7/3, 8/2, 8/3, 9/2, 10/2, 10/3, 11/10/2, 11/10/3, 14, 15, 17/14, 17/15, 18/14, 18/15, 19/14, 19/15, 20/14, 20/15, 25/14, 25/15, 26/14, 26/15, 29/14, 29/15, and 38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Scroggie et al (2002/0065713) in view of Stewart et al (6,259,405).
- Claims 2, 3, 14, and 15: <u>Scroggie</u> discloses a system and method for providing a purchase incentive to a buyer over a computer network, comprising:
- a. Accessing a product database (col 2, lines 11-19 and col 6, lines 12-15);

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b. Displaying a list of products to the buyer (col 2, lines 11-19 and col 6, lines 12-15);

- c. Receiving a product selection from the buyer (col 2, lines 11-19 and col 6, lines 12-15);
- d. Receiving and storing information about the buyer (col 1, lines 53-55 and col 6, lines 32-35 and 55-58);
- e. Accessing a reseller (retail store) database to select a reseller based on the product selection and the buyer information (col 9, line 66 col 10, line 3); and
- f. Transmitting the reseller information and a discount to the buyer (col 2, lines 1-4), wherein the discount is selected from a discount database based on the selected product (col 9, lines 20-25) and is only redeemable at the selected retailer (col 10, lines 1-3).

While <u>Scroggie</u> discloses selecting a retailer based on the location of the retailer in relation to the buyer, it is not explicitly disclosed that the retailer is selected based on the product and buyer information (other than buyer location). However, <u>Stewart</u> discloses a similar system and method for providing purchase information to a buyer over a computer network, which further discloses selecting a retailer based on the product (i.e. hotel room, rental car, etc.) and on the buyer's location, preferences, and demographics (i.e. preferred hotel company, room type, etc.)(col 22, lines 22-65). <u>Stewart</u> further discusses that the system attempts to locate a preferred retailer, but if one is not within an appropriate range (i.e. within walking distance if used in a shopping mall or airport), the system will select a similar retailer. For example, if Stewart receives

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a request from a buyer to find a restaurant offering a particular style of food (i.e. barbecue), the system will select an appropriate restaurant or if "not available in the immediate vicinity, the location service provider may suggest alternatives based on the known geographical location which most closely match the user's preferences" (col 26, lines 2-6). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use such information as the desired product and the buyer's preferences when <u>Scroggie</u> selects the retailer. One would have been motivated to select the retailer based on the product and other buyer information in order to ensure that the selected retailer carries the desired product and to better meet the desires of the buyer by limiting the selection to the nearest preferred retailer.

Additionally, while <u>Scroggie</u> discloses the system selecting at least one retailer within the geographic area ("immediate shopping area") of the buyer and then letting the buyer select a specific retailer from the list of one or more local retailers (col 9, line 66 – col 10, line 3), it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the system to make the final selection of the retailer based on either prior use by the buyer (i.e. the buyer's shopping history discussed by <u>Scroggie</u>) or by the retailer's proximity to the buyer (i.e. closest retailer). One would have been motivated to allow the system to select the retailer in order to simplify the system by reducing the number of steps the buyer needs to perform. <u>Scroggie</u> discloses that the buyer may go to the manufacturers' offer page and select one or more product offers from a manufacturer (col 7, line 64 – col 8, line 21). The system will then select and display one or more local retailers which sell that product. It

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is inherent that if the product is an exclusive product, i.e. one which is sold by only one retail chain, such as a franchise (e.g. Skilcraft Tools™ sold by Sears), that the system would display the local or closest Sears store. While <u>Scroggie</u> uses a supermarket as the retailer in the exemplary embodiment of the invention, the claims therein do not limit the invention to any particular type of retailer, nor does the specification in any way limit the retailer to the grocery industry. Thus, when applying the <u>Scroggie</u> invention to a product sold by franchises, such as a bucket of "Extra Crispy Fried Chicken" from a Kentucky Fried Chicken™ (KFC) franchise, the system would locate and display the closest KFC retailer based on the buyer's and the retailer's locations.

The Examiner notes that the specific type of product, such as recreation boats, does not affect the process in the claims and, therefore, is given no patentable weight.

Claims 5/2, 5/3, 25/14, and 25/15: <u>Scroggie</u> and <u>Stewart</u> disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 2, 3, 14, and 15 above, and <u>Scroggie</u> further discloses that the computer network is the Internet (col 1, line 31-40).

Claims 6/2, 6/3/ 26/14, and 26/15: <u>Scroggie</u> and <u>Stewart</u> disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 2, 3, 14, and 15 above, and <u>Scroggie</u> further discloses that the discount is a cash discount with an expiration date (col 10, lines 32-49).

Claims 7/2, 7/3, 8/2, 8/3, 17/14, 17/15, 19/14, and 19/15: <u>Scroggie</u> and <u>Stewart</u> disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 2, 3, 14, and 15 above, and <u>Scroggie</u> further discloses

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that the reseller and discount information is transmitted to the buyer via email (col 12, lines 44-53 and col 13, lines 21-34) or displayed on a website (col 11, lines 48-51 and col 12, lines 44-53).

Claims 9/2, 9/3, 10/2, 10/3, 11/10/2, 11/10/3, 18/14, 18/15, 29/14, and 29/15: Scroggie and Stewart disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 2, 3, 14, and 15 above, and Scroggie further discloses selecting the reseller geographically closest to the buyer, based on the buyer's zip code and email address provided as buyer information (col 6, lines 32-35 and 55-58; col 8, lines 45-52; and col 9, line 66 - col 10, line 3).

Claims 20/14 and 20/15: <u>Scroggie</u> and <u>Stewart</u> disclose a method for providing a purchase incentive to a buyer over a computer network as in Claims 14 and 15 above, and <u>Scroggie</u> further discloses sending the buyer information and the discount to the reseller (col 2, lines 63-67).

Claim 38: <u>Scroggie</u> discloses a method for providing a purchase incentive to a buyer over a computer network, comprising:

- a. Receiving buyer information (col 1, lines 53-55 and col 6, lines 32-35 and 55-58);
- b. Determining the reseller covering the geographic area of the buyer (col 6, lines 32-55 and 55-58; col 8, lines 45-52; and col 9, line 66 col 10, line 3); and
- c. Transmitting the purchase incentive to the buyer, the purchase incentive being redeemable only at the selected reseller (col 1, lines 47-49; col 2, lines 1-4; and col 10, lines 26-27).

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While Scroggie discloses determining the closest retailer to the buyer (within the geographic area of the buyer), it is not explicitly disclosed that the retailer has been assigned a predetermined area of coverage (i.e. has franchise rights) which includes the area in which the buyer is located. Stewart discloses a similar system and method for providing purchase information to a buyer and further discloses that the buyer can enter a preferred retailer/chain store (e.g. Denny's restaurant, Avis car rental, etc.). The system will attempt to locate the nearest Denny's restaurant or Avis car rental facility, if one is located within a reasonable distance from the buyer's location. Thus, the system is searching for the closest franchise to the buyer's location. It is inherent that a franchise has an assigned territory, as per the definition in Webster's II New Riverside University Dictionary, page 503, "franchise. 2. Authorization granted by a manufacturer to a distributor or dealer to sell its products. 3. The territory or limits within which a privilege, right, or immunity may be exercised". Thus, since Stewart allows the buyer to designate a preferred franchise (chain store), it would have been obvious to one having ordinary skill in the art at the time the invention was made that the local franchisee would have a "producer-assigned territory covering the geographical location of the buyer" and that such franchising rights would be part of the decision process when Scroggie selects the closest retailer to the buyer. One would have been motivated to select the proper franchisee in view of Stewart's discussion on the buyer selecting a preferred chain store.

6. Claims 4, 5/4, 6/4, 7/4, 8/4, 10/4, 11/10/4, 12, 16, 17/16, 18/16, 19/16, 20/16, 21, 25/16, 26/16, 29/16, and 47-52 are rejected under 35 U.S.C. 103(a) as being unpatentable over <u>Scroggie et al</u> (6,185,541) in view of <u>Stewart et al</u> (6,259,405) and in further view of Cupps et al (5,991,739).

Claims 4, 12, 16, 21, and 47: Scroggie and Stewart disclose a system and method for providing a purchase incentive (electronic voucher) to a buyer over a computer network as in Claims 2, 3, 14, and 15 above, but neither reference explicitly discloses accessing a producer (manufacturer) database, displaying a list of producers to the buyer, and receiving the buyer's selection of a producer prior to accessing and displaying the list of products. However, Cupps discloses a similar system and method for providing a purchase incentive to a buyer over a computer network in which a manufacturer database is accessed, a list of manufacturers is displayed to the buyer, and the buyer selects a manufacturer (col 9, line 66 - col 10, line 21) prior to accessing and displaying the products available from that merchant. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allowing buyer to select a manufacturer prior to selecting a product. One would have been motivated to allow the buyer to select the manufacturer in order to better meets the desires of the buyer, especially when "name-brand" items are desired (such as in clothing, watches, automobiles, etc.).

While <u>Scroggie</u> discloses determining the closest retailer to the buyer (within the geographic area of the buyer), it is not explicitly disclosed that the retailer has been assigned a predetermined area of coverage (i.e. has franchise rights) which includes

the area in which the buyer is located. Stewart discloses a similar system and method for providing purchase information to a buyer and further discloses that the buyer can enter a preferred retailer/chain store (e.g. Denny's restaurant, Avis car rental, etc.). The system will attempt to locate the nearest Denny's restaurant or Avis car rental facility, if one is located within a reasonable distance from the buyer's location. Thus, the system is searching for the closest franchise to the buyer's location. It is inherent that a franchise has an assigned territory, as per the definition in Webster's II New Riverside University Dictionary, page 503, "franchise. 2. Authorization granted by a manufacturer to a distributor or dealer to sell its products. 3. The territory or limits within which a privilege, right, or immunity may be exercised". Thus, since Stewart allows the buyer to designate a preferred franchise (chain store), it would have been obvious to one having ordinary skill in the art at the time the invention was made that the local franchisee would have a "producer-assigned territory covering the geographical location of the buyer" and that such franchising rights would be part of the decision process when Scroggie selects the closest retailer to the buyer. One would have been motivated to select the proper franchisee in view of Stewart's discussion on the buyer selecting a preferred chain store.

Claims 5/4 and 25/16: <u>Scroggie</u>, <u>Stewart</u>, and <u>Cupps</u> disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 4 and 16 above. Each reference further discloses that the computer network is the Internet (<u>Scroggie</u>, col 1, line 31-40)(<u>Stewart</u>, col 6, lines 25-29)(<u>Cupps</u>, col 9, lines 37-39).

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Claims 6/4 and 26/16: <u>Scroggie</u>, <u>Stewart</u>, and <u>Cupps</u> disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 4 and 16 above. <u>Scroggie</u> further discloses that the discount is a cash discount with an expiration date (col 10, lines 32-49).

Claims 7/4, 8/4, 17/16, 19/16 and 52: <u>Scroggie</u>, <u>Stewart</u>, and <u>Cupps</u> disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 4, 16, and 47 above. <u>Scroggie</u> also discloses that the reseller and discount information is transmitted to the buyer via email (col 12, lines 44-53 and col 13, lines 21-34) or displayed on a website (col 11, lines 48-51 and col 12, lines 44-53).

Claims 9/4, 10/4, 11/10/4, 18/16, 29/16, and 51: Scroggie, Stewart, and Cupps disclose a system and method for providing a purchase incentive to a buyer over a computer network as in Claims 2-4, 14-16, and 47 above. All three references further disclose selecting the reseller geographically closest to the buyer, based on the buyer's zip code and email address provided as buyer information (Scroggie, col 6, lines 32-35 and 55-58; col 8, lines 45-52; and col 9, line 66 - col 10, line 3)(Stewart, col 11, lines 21-31 and col 22, lines 49-53)(Cupps, col 9, line 66 - col 10, line 21 and Figure 3B, items 150 and 152).

Claim 20/16: <u>Scroggie</u>, <u>Stewart</u>, and <u>Cupps</u> disclose a method for providing a purchase incentive to a buyer over a computer network as in Claim 16 above. <u>Scroggie</u> further discloses sending the buyer information and the discount to the reseller (col 2, lines 63-67).

Claim 48: <u>Scroggie</u>, <u>Stewart</u>, and <u>Cupps</u> disclose a system for providing a purchase incentive (electronic voucher) to a buyer over a computer network as in Claim 47 above. <u>Scroggie</u> further discloses the incentive is redeemable only at the selected reseller (col 1, lines 47-49 and col 10, lines 26-27).

Claim 49: <u>Scroggie</u>, <u>Stewart</u>, and <u>Cupps</u> disclose a method for providing a purchase incentive (electronic voucher) to a buyer over a computer network as in Claim 47 above. <u>Scroggie</u> further discloses printing and redeeming the incentive (electronic voucher) at the reseller (col 1, line 62 - col 2, line 1 and col 12, lines 51-53).

Claim 50: <u>Scroggie</u>, <u>Stewart</u>, and <u>Cupps</u> disclose a system and method for providing a purchase incentive (electronic voucher) to a buyer over a computer network as in Claim 49 above. <u>Scroggie</u> further discloses that the discount is a cash discount with an expiration date (col 10, lines 32-49).

Response to Arguments

7. The Applicant argues that <u>Scroggie</u> "fails to disclose exclusive retailers, such as franchises or dealerships" and cites <u>Scroggie</u>'s exemplary supermarket embodiment as a large general store (page 17). The Examiner notes that, as discussed above, <u>Scroggie</u> does not claim that his invention is for use by supermarkets, but merely uses one as an exemplary embodiment. The specification and the claims are directed towards generating an incentive (electronic voucher) which can be redeemed only at a specified local retailer as determined by the geographic locations of the buyer and retailer. As such, <u>Scroggie</u>'s invention may be used with products from any type of

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retailer, to include franchises or dealerships which are both well known within the industry. The Examiner also notes that only the Applicant's Claims 38 and 47-52 include the limitation that the retailer has a "producer-assigned territory" (i.e. franchise area). Other claims such as Claims 9, 11, 12, 18, and 21 select the retailer closest to the buyer with no mention of any pre-assigned area. Finally, the other claims do not even include this limitation, but merely claim selecting a retailer based on the product selected and the location of the buyer. Thus, <u>Scroggie</u> explicitly covers the last two groups of claims and covers the first set through obviousness as stated in the rejection above.

The Applicant argues that <u>Scroggie</u> teaches away from the "automatic selection of a reseller" because he "<u>requires</u> the buyer to designate the supermarket at which the purchasing incentive can be exercised" (page 18). This has been discussed in the 35 U.S.C. 103 rejection above.

The Applicant argues that <u>Stewart</u> "gets buyer locations from wireless access points instead of from the buyers themselves" (page 18). The Examiner notes that <u>Stewart</u> is directed towards delivering targeted incentives to buyers based on their location, the same as <u>Scroggie</u> and the present application. The <u>Stewart</u> reference was not used to add the feature of the buyer entering their location information into the system to the <u>Scroggie</u> invention, since this feature was already part of that invention.

The Applicant argues that "<u>Cupps</u> teaches only restaurants in a flat distribution system, which restaurants sell only what they produce" (page 19). The Examiner notes that <u>Cupps</u> displays a list of *vendors* or restaurants in his exemplary embodiment and

allows the buyer to select the desired vendor. A list of the vendor's products are then displayed to the buyer for selection. Cupps also explicitly discloses that the "invention can be used for other electronic commerce purposes, other commodities, other types of vendors, and other types of services other than delivery or takeout" (col 12, lines 1-3). In his example of a pizza delivery service, he allows the buyer to select a specific restaurant or a specific vendor, which the Examiner interprets to mean a national chain or franchise, such as Pizza Hut™ or Papa Johns™. When using the system for other products, even other foodstuffs such as fried chicken, many vendors, such as my above example of KFC, have pre-assigned franchise areas from the national franchiser (KFC).

The Applicant argues in reference to the 35 U.S.C. 103 rejection that since the Declarations of M. Duchow, B. Sargent, and G. Sullivan show evidence of copying, commercial success, licensing, and industry acceptance of the claimed invention, it cannot be obvious (pages 21-21). While the Applicant may have had some success when applying the invention to a very limited area of business, i.e. retail boat sales, the cited references show that similar systems have been in operation in other areas of business prior to the present application. Applying known business methods to a specific application, such as selling boats, may result in financial gain to the entrepreneur and may lead to copying or licensing by others, but that does not render the business method novel. For example, when Henry Ford invented the assembly line production method for automobiles, the method was adopted throughout a wide diversities of industries to efficiently mass produce their products, such as canned goods or clothing manufacturing. Many individuals and companies made great profits

from doing so. However, they could not claim novelty in using Henry Ford's method in a different industry. Likewise, while the Applicant may have obtained commercial success, licensing, and acceptance by the retail boat sales industry, the invention applies the same methods used in the references to provide an incentive to the buyer based on the location of the buyer and the retailer.

The Applicant argues that Scroggie is not properly combinable with Stewart (page 21). The Examiner notes that as discussed above, both references disclose methods of providing an incentive to a buyer based on the buyer's and retailer's locations. While Scroggie shows the buyer selecting the desired retailer from a small list of local retailers, the system would function equally well if the system only presented one local retailer to the buyer, i.e. selects the retail for the buyer. As also discussed above, the supermarket example used in <u>Scroggie</u> is just that - - an example. Neither the claims nor the specification limit the invention to supermarkets. The Applicant's argument that the reasons for Scroggie presenting more than one retailer to the buyer for selection is to allow the buyer to plan his shopping more efficiently and to select incentives offered directly by the retailer are also not persuasive. First, Scroggie gives the buyer the option as to whether or not to view the retailer's offers. The buyer can just view the manufacturers' offers. The additional feature of allowing the buyer to also view the incentives of the selected retail is a feature which could be added on to either the <u>Scroggie</u> invention or to the Applicant's invention, once the retailer has been selected. While the buyer in the Applicant's invention may select a producer (manufacturer) and view the producer's offers, once a local retailer has been selected (either by the buyer

or by the system), it would be obvious to display to the buyer any other offers that the selected retailer may be offering for the same, similar, or complementing products. In other words if the selected merchant was running a sale on life preservers, it could be very effective to display such an offer to a buyer interested in purchasing a boat that day.

The Applicant again argues that <u>Scroggie</u> teaches away from automatic selection of the retailer by the system (page 23). This has been discussed at length above.

The Applicant argues that none of the references teach displaying a list of producers and then displaying a list of products for a producer selected by the buyer. This has been discussed at length in the rejection above. Cupps' disclosure of the buyer selecting a vendor and then a product from those offered by the vendor reads on the claimed producer and a list of products. A franchise restaurant does not "produce" it's products, but merely sells the products which it has bought wholesale from the national distributor (franchiser). It's preparation of the product could be compared to a furniture store which assembles the furniture prior to selling it. The furniture store is not the producer of the furniture, just the retailer of it. Likewise, the franchise restaurant is not the producer of the food, just the retailer of it. In neither case can the retailer "alter" the product during the preparation step.

The Applicant argues in reference to Claim 38 that none of the references mention a "distribution system", "preexisting distribution agreements", or a "reseller database....specifying the producer assigned territories of the resellers" (page 27). The Examiner notes that these are inherent parts of a franchise system. The national

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franchiser must have a distribution system in order to get its products to each of the franchisees. This distribution system would need to be run based on preexisting distribution agreements between the franchiser and the franchisees. Finally, there must be a database of the franchise agreements showing the assigned territories of each of the franchisee resellers in order to ensure that their "exclusive" territories do not overlap (come into conflict). Any system such as <u>Cupps</u> which allows the buyer to select a vendor (i.e. franchiser) must take into account all of these parts and agreements.

The Applicant argues in reference to Claim 47 that none of the references teach using the buyer's and reseller's zip code information from the database for locating the reseller. The Examiner notes that <u>Scroggie</u> explicitly teaches that the buyer database will contain the buyer's zip code (postal code) and that this zip code will be used to find a reseller who services that zip code (col 6, lines 55-58 and col 7, lines 5-7).

Finally, in response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

Conclusion

8. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached on weekdays from 6:30 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, can be reached on (703) 305-8469. The fax phone number for Formal or Official faxes to Technology Center 3600 is (703) 872-9326. Draft or Informal faxes may be submitted to (703) 872-9327 or directly to the examiner at (703) 746-5544.

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (703) 308-1113.

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January 27, 2004

James W. Myhre Primary Examiner

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